



State of Louisiana
Louisiana Department of Health
Bureau of Health Services Financing

VIA E-MAIL ONLY

July 28, 2018

Ms. Allison Young, CEO
United Healthcare Community Plan
3838 N. Causeway Blvd., Suite 2600
Metairie, LA 70002

RE: Notice of Action for United Healthcare Community Plan's NEMT Vendor/Provider Non-compliance

Dear Allison:

It has come to my attention that United Healthcare's (UHC) non-emergency medical transportation (NEMT) broker, National MedTrans (NMT), has demonstrated significant non-compliance since the contract with UHC began on April 1, 2018. LDH has received numerous complaints from providers stating they are not receiving payment for clean claims submitted to NMT. Northeast Louisiana Ambulance Service, Pafford EMS, St. Landry EMS, Balentine Ambulance, Reliant On Call and Auzenne Transportation, to name a few, have all reported non-payment of claims.

Despite LDH's efforts through numerous conference calls and electronic communications prior to and after the execution of the contract, UHC has failed to bring NMT into compliance. Consequently, UHC is not meeting the subcontractor requirements as defined in the contract between UHC and LDH. The violations of non-compliance are outlined below, and while some may have been resolved by the date of this letter, all are considered acts of non-compliance:

1. UHC has not ensured its subcontractor's readiness to perform the services it has delegated to the subcontractor.

7.13.6.3. Prior to executing a network provider agreement, the MCO must evaluate the prospective provider's and/or subcontractor's qualifications and ability to perform the activities to be delegated;

Since the beginning of its contract with UHC, NMT has not had electronic funds transfer (EFT) capabilities. The contract provides:

9.7.2. The MCO shall support a CAQH/CORE compliant interface to the automated clearinghouse (ACH) that allows providers to request and receive electronic funds transfer (EFT) of claims payments.

NMT's provider portal is insufficient and lacks the functioning capabilities required to perform the duties UHC has delegated to NMT. Providers report NMT is changing mileage data submitted by the transporting provider and then requiring the provider to attest to the inaccurate mileage in order to receive payment. Providers report they are reluctant to attest to data that is not accurate due to NMT's mileage changes. For example, one provider reported having over 50 claims approaching 90 days to which the provider does not want to attest because the information changed by NMT is inaccurate. These claims are subject to being deleted from NMT's system and payment being denied. Such an inappropriate denial would be contrary to the contract between UHC and LDH as outlined below:

9.8. Inappropriate Payment Denials

If the MCO has a pattern of inappropriately denying or delaying provider payments for services, the MCO may be subject to suspension of new enrollments, sanctions, contract cancellation, or refusal to contract in a future time period. This applies not only to situations where LDH has ordered payment after appeal but to situations where no appeal has been made (i.e. LDH is knowledgeable about the documented abuse from other sources).

2. UHC oversight and monitoring of its NEMT brokerage program did not ensure compliance with vehicle, driver and credentialing requirements in accordance with its contract with LDH and state law requirements.

UHC did not ensure that NEMT service providers met contract requirements related to vehicle standards for vehicles used to transport Medicaid enrollees. Vehicles must comply with federal and state licensing requirements and safety standards. NMT's noncompliance with certain state requirements and contract provisions for the licensing and qualification of transport personnel and the vehicles they used could jeopardize the health and safety of Medicaid enrollees.

On June 18, 2018, UHC communicated to LDH that NMT completed the first elements of credentialing for a transportation provider and that the provider is "now meeting all transportation requirements of the State of Louisiana." In this same communication, UHC stated the Field Operations team is scheduled to complete vehicle inspections at a later date, adding NMT's "credentialing policy for vehicle inspections is to complete all inspections within 60 days." After receiving this communication, LDH placed UHC and NMT on notice that credentialing is not complete until all elements of compliance are completed, including vehicle inspections regardless of its own internal policies. This communication is evidence that NMT is not properly credentialing participating providers as required by state law.

LA R.S. 46:450.2 provides:

Vehicles engaged in providing nonemergency, nonambulance transportation; inspection

A. The Louisiana Department of Health shall annually review vehicle inspection and insurance documents to ensure current compliance for all vehicles used by enrolled Medicaid transportation providers in providing nonemergency, nonambulance transportation services to Medicaid recipients. The department may inspect such vehicles at any time the department deems appropriate in accordance with rules developed pursuant to Subsection B of this Section.

B. The Louisiana Department of Health is authorized to adopt and promulgate rules, pursuant to the Administrative Procedure Act, regarding but not limited to inspection of vehicles, inspection decals issued by the department for display on vehicles, standardization of identification of such vehicles, uniformity of provider documents, mandatory liability insurance on vehicles, proof of ownership or lease of vehicles, signs on vehicles identifying the provider, and such other rules determined by the department to be necessary for the administration and enforcement of the utilization of only properly inspected and insured vehicles in the provision of nonemergency, nonambulance transportation services to Medicaid recipients.

Further, UHC has failed to provide vehicle and driver compliance records required to be on site by the contract between UHC and LDH. The contract provides:

6.23.5.1.2. Maintenance, by the MCO or its transportation broker, in an electronic format, of all records necessary to establish and validate NEMT claims, including but not limited to:

6.23.5.1.2.3. Vehicle and driver compliance records, including all required licensure and credentialing;

In accordance with 6.23.5.1.2.3, LDH directed UHC to submit, vehicle and driver compliance records by June 25, 2018. UHC provided an incomplete submission and was again instructed by LDH to provide a complete submission by June 27, 2018. The deadline passed without the requested information being provided to LDH. In response to LDH's request for the status of the submission, UHC responded on June 28, 2018 that the documentation would be provided by June 29, 2018. UHC did finally submit the records in response to the request; however, some records are incomplete and others indicate elements that render the vehicle or driver ineligible for the NEMT program.

3. NMT has failed to follow the timely filing guidelines as required by LDH.

UHC is required to ensure that its subcontractors adhere to LDH's timely filing guidelines as outlined in the contract between UHC and LDH. The NMT website states that it only allows 90 days from the date of transport for the provider to attest to the trip, or it will be deleted from the system and payment will be denied; however, the contract between UHC and LDH provides:

17.2.6 Timely Filing Guidelines

17.2.6.1 Medicaid-only claims must be filed within three hundred sixty five (365) days of the date of service.

4. NMT has failed to process claims appropriately.

UHC is required to ensure its subcontractors comply with LDH's claims processing requirements as stated in the contract between UHC and LDH. Providers are reporting non-payment of submitted claims, payments made at incorrect rates and promises to be paid by NMT in the next payment cycle, with payment never made. The contract provides:

17.2 Claims Processing

17.2.1 The MCO shall ensure that all provider claims are processed according to the following timeframes:

17.2.1.1 Within five (5) business days of receipt of a claim, the MCO shall perform an initial screening, and either reject the claim, or assign a unique control number and enter it into the system for processing and adjudication.

17.2.1.2 Process and pay or deny, as appropriate, at least Ninety percent (90%) of all clean claims for each claim type, within fifteen (15) business days of the receipt.

17.2.1.3 Process and pay or deny, as appropriate, at least Ninety-nine percent (99%) of all clean claims for each claim type, within thirty (30) calendar days of the date of receipt.

17.2.1.4 Fully adjudicate (pay or deny) all pended claims within sixty (60) calendar days of the date of receipt.

Further, LDH has received reports that NMT's initial remittance files do not include line item detail as required by state law.

LA R.S. 46:460.71 states:

Any claim payment to a provider by a managed care organization or by a fiscal agent or intermediary of the managed care organization shall be accompanied by an itemized accounting of the individual services represented on the claim that are included in the payment.

5. UHC has failed to monitor NMT's performance.

As demonstrated by the multiple issues outlined in this Notice, UHC has displayed a general lack of oversight for the delivery of NEMT services and has exhibited insufficient monitoring of its subcontractor to ensure contract compliance. Further, LDH communicated to UHC NMT's deficiencies, yet no action was taken. The contract between UHC and LDH provides:

7.13.6. As required by 42 CFR §438.6(1), §438.230(a) and § 438.230(b)(1),(2),(3) the MCO shall be responsible to oversee all subcontractors' performance and shall be held accountable for any function and responsibility that it delegates to any subcontractor....

7.13.6.4. The MCO must have a written agreement between the MCO and the subcontractor that specifies the activities and reporting responsibilities delegated to the subcontractor; and provides for revoking delegation or imposing other sanctions if the subcontractor's performance is inadequate;

Ms. Allison Young

July 28, 2018

Page 5

7.13.6.5. The MCO shall monitor the subcontractor's performance on an ongoing basis and subject it to formal review according to a periodic schedule consistent with industry standards;

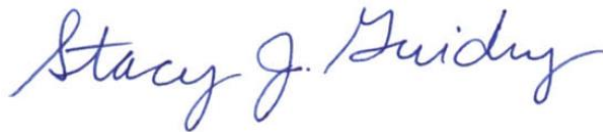
7.13.6.6. The MCO shall identify deficiencies or areas for improvement, and take corrective action;

Had UHC provided adequate oversight and performed the required monitoring of NMT, the non-compliance issues would have been identified and corrected much earlier, thereby minimizing the impact of what has now become a widespread problem. Failure to adhere to the contract requirements cited herein carries a monetary penalty of \$5,000 per occurrence per calendar day of non-compliance in accordance with Section 20.3.3. UHC has been out of compliance with the contract for 115 days.

By August 15, 2018, UHC must provide a written response to all issues outlined above that includes the dates by which the issue will be resolved. If **all** issues are not resolved by September 15, 2018, penalties will begin to accrue.

Should you have any questions, please do not hesitate to contact me.

Sincerely,



Stacy Guidry
Section Chief, Health Plan Management

SG/lj

cc: Melanie Doucet
Karl Lirette
Frank Opelka
Jen Steele
Kim Sullivan
Christina Wilson
File #: UHC2-12